

ORDINANCE NO. 2005-11

AN ORDINANCE OF THE CITY OF SEDONA, ARIZONA, AMENDING CITY CODE ARTICLE 3-4 (PURCHASING); PROVIDING FOR A SAVINGS CLAUSE; AND PROVIDING FOR REPEAL OF ANY ORDINANCE OR PART OF ORDINANCES OR CODE PROVISIONS IN CONFLICT THEREWITH.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF SEDONA, ARIZONA:

Section 1: Amendment of Article 3-4 to Comply With Revisions to the City Purchasing Manual

Article 3-4, the Code of the City of Sedona, Arizona, is amended to read as follows:

ARTICLE 3 – 4	PURCHASING
3 – 4 – 1	In General
3 – 4 – 2	Exceptions to Section 3 – 4 – 1
3 – 4 – 3	Bidding
3 – 4 – 4	Determination of Lowest Responsible Bidder
3 – 4 – 5	Performance Bond
3 – 4 – 6	Emergency Purchases
3 – 4 – 7	Professional Services
3 – 4 – 8	Surplus Supplies and Equipment
3 – 4 – 9	Signatures on Checks

Section 3 – 4 – 1 In General

The City Manager, or his designee(s), shall be the purchasing agent for the City. No purchases or contracts for services or materials of any kind or description, for which payment is to be made from funds of the City, shall be made by the purchasing agent, or any officer, employee or agent of the City, except in the manner set forth in this article.

- A. **Under \$5,000.** Whenever any contemplated purchase or contract for services, supplies or materials is for the sum of less than \$5,000, the department head or designee may order the item as needed without bidding. If the price of supplies or materials made with or containing recycled products is within five percent (5%) of the price of materials not made with or containing recycled products, the department head or designee may give preference to and purchase the supplies or materials made with or containing recycled products; so long as quality or performance are not compromised by such purchasing preference.
- B. **\$5,001 to \$10,000 inclusive.** Whenever any contemplated purchase or contract for services, supplies or materials is for the sum of at least \$5,001 but not more than \$10,000, the department head or designee shall let contracts by obtaining written quotations. The department head or designee may then award the purchase or contract of service to the lowest responsible supplier. Dividing invoices on a single purchase

so each invoice is less than \$10,000 is prohibited. Notice of the Section 3 – 4 – 4, subsection G, purchase preference for supplies or materials made with or containing recycled products, shall be placed in or otherwise made a part of all City solicitations for informal bids or written price quotations.

- C. **\$10,001 to \$25,000.** Whenever any contemplated purchase or contract for services, supplies or materials is for the sum of \$10,001 to \$25,000, the department head or designee shall issue a written Request for Bid to at least three vendors, if possible. The notice herein required shall include a general description of the articles to be purchased or services to be performed and the time and place for opening bids. Notice of the Section 3 – 4 – 4, subsection G, bid preference for supplies or materials made with or containing recycled products, shall be placed in or otherwise made a part of all City bid notices and solicitations. If only one responsive quotation is received, the buyer may initiate a second solicitation. Once all bids are received, the City Manager shall make the final approval. If he/she determines that the price is fair and reasonable, the purchase may be made from a single responding vendor.
- D. **Products, Construction Projects and General Services over \$25,000.** No contract of \$25,000 or more for budgeted products, construction projects and general services shall be let, except by the City Council. Whenever any contemplated purchase or contract is for the sum of \$25,000 or more, the City Manager shall present the bids to the council for approval and advise the council of the advantages or disadvantages of the contract and bid proposal.
- E. **\$0 to \$50,000 for Street and Drainage Maintenance, Repair and Improvement.** Notwithstanding subsections B, C and D of this section, whenever any contemplated purchase or contract for services of work to be done for the purpose of street and drainage maintenance, repair and improvement is for a sum of up to \$50,000, the City shall obtain a written bid for the work to be done, and the City Manager may then award a contract, provided that:
1. The project does not require plans and specifications to be prepared by a civil engineer registered in the State of Arizona pursuant to the requirements of A.R.S., Title 32 and title 34.
 2. The cumulative mileage of work to be done during one fiscal year does not exceed 1.0 mile (24 foot width) for paving projects, or 4.0 miles (24 foot width) for chip seal projects.
 3. The project requirements shall not be artificially divided or fragmented so as to circumvent the limitations or requirements of this article.

Section 3 – 4 – 2 Exceptions to Section 3 – 4 – 1

A. **Exclusive Service.** In the event that there is only one firm, company or individual capable of providing a particular service or commodity, and such services or commodities cannot be secured from other persons or companies, such services or commodities may be secured without bidding. Departments must have documented approval from the City Manager prior to purchase.

B. **Used Equipment.** Upon recommendation of the department head, the City Manager may waive the bid procedures with respect to the purchase of used equipment.

C. **Cooperative Purchasing.** In the event of a purchase made by, through or with the U.S. Government, State of Arizona or its political subdivisions, purchase or award of such contracts for services or materials may be made without the bidding process in Section 3 – 4 – 1.

Such purchases would require the following approval:

1. Items under \$25,000 inclusive must be approved by the City Manager.
2. Items \$25,000 or over must be approved by the City Council.
3. Contract number and backup be provided.

D. Professional Services as described in section 3-4-7

E. Notwithstanding any other provision of this article, in the event any purchase or contract falls within the definitions for limitations of A.R.S. § 34 – 201 et seq., as amended, the provisions, requirements and specifications of the relevant portions of the Arizona Revised Statutes shall supersede this article and control any such bidding procedures.

Section 3 – 4 – 3 Bidding

The department and all parties interested in contracting with the City shall follow the procedure set forth in this section in relation to all bids required under Section 3 – 4 – 1, subsection C.

- A. All notices and solicitation of bids shall state the date, time and place for bid opening.
- B. All bids shall be submitted sealed to the soliciting department and shall be identified as bids on the front of the envelope.
- C. All bids shall be opened on the date, time and place stated in the request for bid, unless such bids are required to be opened at a City Council meeting in accordance with A.R.S. § 34 – 201.
- D. The City shall have the authority to reject any and all bids and parts of all bids and re-advertise or re-solicit bids.

Section 3 – 4 – 4 Determination of Lowest Responsible Bidder

Unless the Council, City Manager or department head or designee exercise the right of rejection as provided by Section 3 – 4 – 3, the purchase or contract shall be made with the lowest responsible bidder for the entire purchase or contract or for any part thereof. In determining the lowest responsible bidder, the following shall be considered:

- A. The ability, capacity and skill of the bidder to perform the contract or provide the service required.
- B. Whether the bidder can perform the contract or provide the services promptly or within the specified time, without delay or interference.
- C. The quality of performance of previous contracts.
- D. The previous and existing compliance by the bidder with laws and ordinances of the City.
- E. The financial resources and ability of the bidder to perform the contract.
- F. The quality, availability and adaptability of the supplies, services or materials.
- G. If the price of supplies or materials made with or containing recycled products is within five percent of the price of materials not made with or containing recycled products, the department head or designee may give preference to and purchase the supplies or materials made with or containing recycled products so long as quality or performance are not compromised by such purchasing preference.

Section 3 – 4 – 5 Performance Bond

A performance bond, in cash or otherwise, for such amount may be deemed sufficient to secure the execution of the contract in the best interest of the City

Section 3 – 4 – 6 Emergency Purchases

In case of an emergency as defined in Section 2 – 2 – 4, which requires immediate purchase of supplies or services and when time is of the essence, the Mayor shall be empowered to purchase or secure services or materials without complying with the procedures of this article. A full report in writing of the circumstances of any emergency purchase shall be filed by the purchasing agent with the City Council at its next meeting.

Section 3 – 4 – 7 Professional Services

Unless required by the City Council, bidding and other requirements of this article shall not apply to professional services. Such services shall include, but not be limited to, the following: physicians, attorneys, engineers, architects, similar professions.

Section 3 – 4 – 8 Surplus Supplies and Equipment

All departments and offices shall submit to the Financial Services Department at such time, and in such form as that office shall prescribe, reports showing all supplies and equipment which are no longer used or have become obsolete or worn out. Each department shall have the authority to sell all supplies and equipment which cannot be used or which have become unsuitable for City use, or to exchange the same for, or trade in the same for new supplies and equipment, in accordance with applicable state statutes.

Section 3 – 4 – 9 Signatures on Checks

All checks for expenditures of City monies shall bear two signatures of either the City Manager, City Clerk, Mayor, Vice Mayor, or designee.

Section 2: Savings Clause

If any section, subsection, sentence, clause, phrase, or portion of this Ordinance as amended is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remainder of this Ordinance.

Section 3: Repeal

All other code provisions, ordinances, or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed as of the effective date hereof.

PASSED AND ADOPTED by the Mayor and City Council of the City of Sedona, Arizona this 27th day of September, 2005.

Pud Colquitt, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney